

## COMMONWEALTH of VIRGINIA

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CHIEF OPERATING OFFICER/SECRETARY TO THE BOARD W. CURTIS COLEBURN, III

## CIRCULAR LETTER 1-04

TO:

EACH MANUFACTURER & WHOLESALER OF ALCOHOLIC BEVERAGES

SUBJECT:

UNAUTHORIZED GIFTS OF ALCOHOLIC BEVERAGES

Gifts of alcoholic beverages by a licensee to any other person are prohibited unless specifically authorized in the exceptions outlined in 3 VAC 5-70-100.

Section B.1. authorizes gifts of alcoholic beverages by a licensee to personal friends and states "Gifts may be made to personal friends as a matter of normal social intercourse when in no wise a shift or device to evade the provisions of this section."

This exception allows a licensee to purchase or give a drink to a <u>personal friend</u>, not randomly selected patrons in an establishment. Merely introducing yourself to a patron, asking for their name or making their acquaintance is not considered a personal friend.

Likewise, licensees <u>or companies and persons hired by them</u> who purchase drinks for patrons in an establishment for any type of promotional purposes, spoken or implied is strictly prohibited. This does not prohibit a manufacturer or wholesaler from providing business entertainment and purchasing a drink for a retailer as defined in 3 VAC-30-70.

HELD: Manufacturers or wholesalers may not give or purchase alcoholic beverages for another person unless that person is a bona fide personal friend of the licensee. Professional relationships such as a supplier or distributor with a retailer or patron are not personal friends of the licensee. Licensees in violation of this section are subject to criminal penalties and civil sanctions against their license.

INQUIRIES: Any inquiries or concerns should be directed to SAC Shawn P. Walker, Compliance Unit, P. O. Box 27491, Richmond, VA 23261-7491.

W. Curtis Coleburn, III

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Chief Operating Officer/Secretary To The Board